

103D CONGRESS  
1ST SESSION

# S. 717

## AN ACT

To amend the Egg Research and Consumer Information Act to modify the provisions governing the rate of assessment, to expand the exemption of egg producers from such Act, and for other purposes.

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To amend the Egg Research and Consumer Information Act to modify the provisions governing the rate of assessment, to expand the exemption of egg producers from such Act, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Egg Research and  
3 Consumer Information Act Amendments of 1993”.

4 **SEC. 2. ASSESSMENT RATE.**

5 (a) IN GENERAL.—Section 8(e) of the Egg Research  
6 and Consumer Information Act (7 U.S.C. 2707(e)) is  
7 amended—

8 (1) by designating the first and second sen-  
9 tences as paragraph (1);

10 (2) by designating the fifth and sixth sentences  
11 as paragraph (3); and

12 (3) by striking the third and fourth sentences  
13 and inserting the following new paragraph:

14 “(2)(A) The assessment rate shall be prescribed by  
15 the order. The rate shall not exceed 20 cents per case (or  
16 the equivalent of a case) of commercial eggs.

17 “(B) The order may be amended to increase the rate  
18 of assessment if the increase is recommended by the Egg  
19 Board and approved by egg producers in a referendum  
20 conducted under section 9(b).

21 “(C) The order may be amended to decrease the as-  
22 sessment rate after public notice and opportunity for com-  
23 ment in accordance with section 553 of title 5, United  
24 States Code, and without regard to sections 556 and 557  
25 of such title.”.

1 (b) REFERENDUM.—Section 9 of such Act (7 U.S.C.  
2 2708) is amended—

3 (1) by designating the first and second sen-  
4 tences as subsection (a);

5 (2) by designating the last sentence as sub-  
6 section (c); and

7 (3) by inserting after subsection (a) (as des-  
8 ignated by paragraph (1)) the following new sub-  
9 section:

10 “(b)(1) If the Egg Board determines, based on a sci-  
11 entific study, marketing analysis, or other similar com-  
12 petent evidence, that an increase in the assessment rate  
13 is needed to ensure that assessments under the order are  
14 set at an appropriate level to effectuate the policy declared  
15 in section 2, the Egg Board may request that the Sec-  
16 retary conduct a referendum, as provided in paragraph  
17 (2).

18 “(2)(A) If the Egg Board requests the Secretary to  
19 conduct a referendum under paragraph (1) or (3), the  
20 Secretary shall conduct a referendum among egg produc-  
21 ers not exempt from this Act who, during a representative  
22 period determined by the Secretary, have been engaged in  
23 the production of commercial eggs, for the purpose of  
24 ascertaining whether the producers approve the change in  
25 the assessment rate proposed by the Egg Board.

1       “(B) The change in the assessment rate shall become  
2 effective if the change is approved or favored by—

3               “(i) not less than two-thirds of the producers  
4 voting in the referendum; or

5               “(ii) a majority of the producers voting in the  
6 referendum, if the majority produced not less than  
7 two-thirds of all the commercial eggs produced by  
8 the producers voting during a representative period  
9 defined by the Secretary.

10       “(3)(A) In the case of the order in effect on the date  
11 of enactment of this subsection, the Egg Board shall de-  
12 termine under paragraph (1), as soon as practicable after  
13 such date of enactment, whether to request that the Sec-  
14 retary conduct a referendum under paragraph (2).

15       “(B) If the Egg Board makes such a request on the  
16 basis of competent evidence, as provided in paragraph (1),  
17 the Secretary shall conduct the referendum as soon as  
18 practicable, but not later than—

19               “(i) 120 days after receipt of the request from  
20 the Egg Board; or

21               “(ii) if the Director of the Office of Manage-  
22 ment and Budget determines that the change in the  
23 assessment rate is a significant action that requires  
24 review by the Director, 170 days after receipt of the  
25 request from the Egg Board.

1       “(4) Notwithstanding any other provision of this Act,  
2 if an increase in the assessment rate and the authority  
3 for additional increases is approved by producers in a ref-  
4 erendum conducted under this subsection, the Secretary  
5 shall amend the order to reflect the vote of the producers.  
6 The amendment to the order shall become effective on the  
7 date of issuance of the amendment.”.

8   **SEC. 3. RESEARCH.**

9       Section 8(d) of the Egg Research and Consumer In-  
10 formation Act (7 U.S.C. 2707(d)) is amended by adding  
11 at the end the following new sentence: “In preparing a  
12 budget for each of the 1994 and subsequent fiscal years,  
13 the Egg Board shall, to the maximum extent practicable,  
14 allocate a proportion of funds for research projects under  
15 this Act that is comparable to the proportion of funds that  
16 were allocated for research projects under this Act in the  
17 budget of the Egg Board for fiscal year 1993.”.

18   **SEC. 4. EXEMPTED PRODUCERS.**

19       Section 12(a)(1) of the Egg Research and Consumer  
20 Information Act (7 U.S.C. 2711(a)(1)) is amended by  
21 striking “30,000 laying hens” and inserting “75,000 lay-  
22 ing hens”.

23   **SEC. 5. AMENDMENT TO ORDER.**

24       Notwithstanding any other provision of law:

1           (1) IN GENERAL.—The Secretary of Agriculture  
2       shall issue amendments to the egg promotion and re-  
3       search order issued under the Egg Research and  
4       Consumer Information Act (7 U.S.C. 2701 et seq.)  
5       to implement the amendments made by this Act.  
6       The amendments shall be issued after public notice  
7       and opportunity for comment in accordance with  
8       section 553 of title 5, United States Code, and with-  
9       out regard to sections 556 and 557 of such title.  
10      The Secretary shall issue the proposed amendments  
11      to the order not later than 80 days after the date  
12      of enactment of this Act.

13           (2) EFFECTIVE DATE.—The amendments to the  
14      egg promotion and research order required by para-  
15      graph (1) shall become effective not later than—

16                   (A) 30 days after the proposed amend-  
17                   ments are issued; or

18                   (B) if the Director of the Office of Man-  
19                   agement and Budget determines that the  
20                   amendments are a significant action that re-  
21                   quires review by the Director, 50 days after the  
22                   proposed amendments are issued.

23           (3) REFERENDUM.—The amendments referred  
24      to in paragraph (2) shall not be subject to a referen-

- 1 dum conducted under the Egg Research and
- 2 Consumer Information Act.

Passed the Senate November 20 (legislative day, November 2), 1993.

Attest:

*Secretary.*